

## **PIH – REAC BEGINS NEW REVERSE AUCTION PROPERTY INSPECTION PILOT PROGRAM**

PIH-REAC is beginning a pilot program to test the feasibility of a paperless “reverse auction” to purchase physical inspection services. Under the pilot program, PIH-REAC will post opportunities for individual, or in some cases small groups of inspections, to an Internet site. HUD-certified inspectors and small business firms may log on to the site and submit electronic competitive bids for purchase orders to perform the inspections. The successful bidders will inspect the properties and submit their reports of findings electronically to PIH-REAC. Upon acceptance of the inspection results, HUD will pay for the inspections electronically.

Via the paperless auction program, PIH-REAC also seeks to expand business opportunities for small businesses, streamline the overall administration of the physical process, and increase competition for its contracted inspection requirements.

The pilot program is scheduled to run through December 31, 2003. REAC will assess the results of the pilot and decide whether or not to expand it.

Keep checking this web site for further information on this initiative.